

DOCKET FILE COPY ORIGINAL

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

RECEIVED

APR 16 1991

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of )  
 )  
Amendment of Part 1 of the ) WT Docket No. 97-82  
Commission's Rules -- )  
Competitive Bidding )

To: The Commission

REPLY COMMENTS OF THE  
AMERICAN AUTOMOBILE ASSOCIATION

The American Automobile Association (AAA) hereby submits its Reply Comments in response to Comments submitted in the above referenced proceedings. As discussed below, the record supports AAA's position that any "generic" auction rules adopted in this proceeding should not apply to Part 90 spectrum.

I. COMPETITIVE BIDDING PROCEDURES ARE INAPPROPRIATE FOR LICENSING CERTAIN SERVICES.

AAA agrees with commenters such as Hughes Electronics who have reminded the Commission that not only are the competitive bidding rules restricted by statute to mutually exclusive applications, but that the Commission is under an affirmative duty to strive to avoid mutual exclusivity in the application process. Hughes Comments at 3-4. While Hughes's concern centers on satellite frequencies, the same reasoning applies to other parts of the spectrum as well, such as Part 90 shared frequencies. Public policy concerns dictate that in order to foster stability in the private user industries that are dependent on Part 90 spectrum, the Commission should make it clear that its competitive bidding rules, whatever they may be

after this proceeding, do not apply to Part 90 channels. Shared channel operation is an efficient way to foster maximum use of the Part 90 spectrum, and by definition avoids mutual exclusivity. Therefore, auction rules would be inappropriate for such operations.

**II. THE COMMISSION SHOULD RETAIN THE FLEXIBILITY TO CRAFT SERVICE SPECIFIC AUCTION RULES.**

AAA also agrees with commenters such as AT&T Wireless and Airadigm Communications, et al., who advise the Commission to retain adequate flexibility to adopt service specific requirements where necessary. AT&T Wireless Comments at 1; Airadigm Comments at 2-3. Likewise, the Commission should refrain from accepting without reservation the suggestions of commenters like PageNet, who appear to advocate common auction rules for all future auctions. PageNet Comments at 7; see also Coalition of Institutional Investors Comments at 5. It is not apparent whether these commenters focused on the possibility of auctions for shared channels, since the FCC is not authorized to apply competitive bidding to such spectrum. Large commercial operators such as PageNet may have in mind auctions for lucrative commercial operations when they advocate generic rules. Such rules would be inappropriate for shared, internal use operations. Part 90 licensees generally use their assigned frequencies for internal purposes. AAA is a not-for-profit entity. Many Part 90 licensees are small businesses that would find it a daunting task to compete for spectrum, even if a way could be found to auction shared frequencies and the Commission were given the authority to do so.

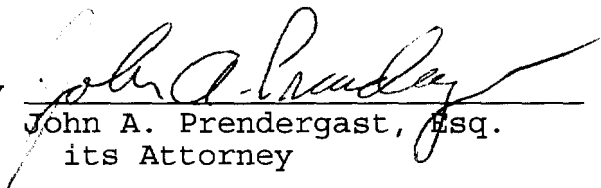
**Conclusion**

In view of the foregoing, it is respectfully submitted that the auction rules adopted in this proceeding should not apply to Part 90 spectrum.

Respectfully submitted,

**American Automobile Association**

Blooston, Mordkofsky,  
Jackson & Dickens  
2120 L Street, N.W.  
Suite 300  
Washington, D.C. 20037  
(202) 659-0830

By   
John A. Prendergast, Esq.  
its Attorney

Filed: April 16, 1997

**SERVICE LIST**

Copies of the foregoing Reply Comments of the American Automobile Association were deposited in the U.S. mail, postage prepaid, addressed to:

Chairman Reed E. Hundt  
Federal Communications Commission  
1919 M Street, N.W.  
Room 814  
Washington, D.C. 20554

Rosalind K. Allen, Deputy Bureau Chief  
Wireless Telecommunications Bureau  
Federal Communications Commission  
2025 M Street, N.W., Room 5002  
Washington, D.C. 20554

Commissioner James H. Quello  
Federal Communications Commission  
1919 M Street, N.W.  
Room 802  
Washington, D.C. 20554

David Furth, Chief  
Commercial Wireless Division  
Federal Communications Commission  
2025 M Street, N.W., Room 7002  
Washington, D.C. 20554

Commissioner Rachelle B. Chong  
Federal Communications Commission  
1919 M Street, N.W.  
Room 844  
Washington, D.C. 20554

Commissioner Susan Ness  
Federal Communications Commission  
1919 M Street, N.W.  
Room 832  
Washington, D.C. 20554

Dan Phythyon, Chief  
Wireless Telecommunications  
Commission  
Federal Communications Commission  
2025 M Street, N.W.  
Washington, D.C. 20554

Gary M. Epstein  
Teresa D. Baer  
Susan E. McNeil  
LATHAM & WATKINS  
1001 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004-2505

Cathleen A. Massey  
Vice President - External  
Affairs  
1150 Connecticut Avenue, N.W.  
4th Floor  
Washington, D.C. 20036

J. Jeffrey Craven  
Janet Fitzpatrick  
Jeffrey L. Ross  
PATTON BOGGS, L.L.P.  
2550 M Street, N.W.  
Washington, D.C. 20037-1350

Carl W. Northrop  
E. Ashton Johnston  
PAUL, HASTINGS, JANOFSKY  
& WALKER LLP  
1299 Pennsylvania Avenue, N.W.  
Tenth Floor  
Washington, D.C. 20004-2400

Judith S. Ledger-Roty  
Paul G. Madison  
KELLEY DRYE & WARREN LLP  
1200 - 19th Street, N.W.  
Suite 500  
Washington, D.C. 2036